

STRUCTURING PRIVATE EQUITY INVESTMENTS THROUGH MAURITIUS

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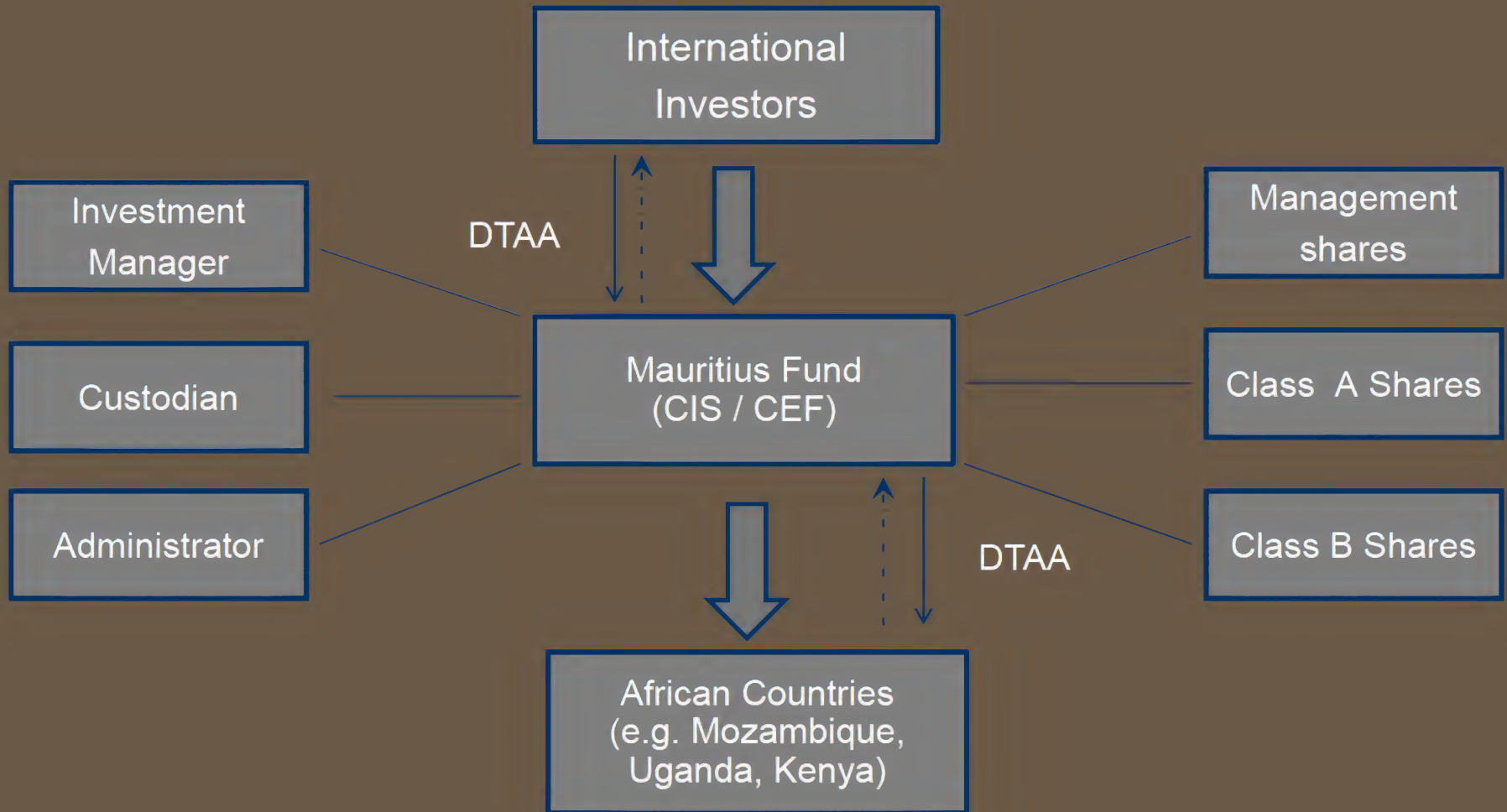
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PRIVATE EQUITY INVESTMENTS INTO AFRICA

- Growth of private equity investments into Africa
- Attractiveness of Mauritius
- Main structures used for PE investments:
 - Investment Funds
 - Protected Cell Companies

FUND STRUCTURE FOR INVESTING INTO AFRICA



STRUCTURING OBJECTIVES

- Limitation of investors' liability
- Tax treatment
- The Mauritius advantage

LEGAL STRUCTURE OF MAURITIUS FUNDS

- Types: Collective Investment Scheme or Closed End Fund
- Form: Corporate or Limited Partnership
- Functionaries

COLLECTIVE INVESTMENT SCHEMES ("CIS")

- Key features of CIS
- Categories of CIS:
 - Fully Regulated CIS
 - Regulated Global CIS
 - Expert Fund
 - Professional CIS
 - Specialised CIS

CLOSED END FUNDS ("CEFs")

- Key features of the CEF
- Categories of CEF:
 - Non reporting issuers
 - Reporting issuers

DOUBLE TAXATION AVOIDANCE AGREEMENT (“DTAAs”) NETWORK

Wide DTA network, with strong African links, and more treaties forthcoming:

Bangladesh
Barbados
Belgium
Botswana
China
Croatia
Cyprus
France
Germany
India
Italy
Kuwait
Lesotho
Luxembourg
Madagascar

Malaysia
Mozambique
Namibia
Nepal
Oman
Pakistan
Qatar
Rwanda
Senegal
Seychelles
Singapore
South Africa
Sri Lanka
Swaziland
Sweden
Thailand

Tunisia
Uganda
United Arab Emirates
United Kingdom
Zimbabwe

Being ratified
Kenya
Republic of Congo
Russia
Zambia

Awaiting signature
Egypt
Ghana
Malawi
Nigeria

Being negotiated

Algeria
Burkina Faso
Canada
Czech Republic
Gabon
Greece
Monaco
Portugal
Republic of Iran
Saudi Arabia
St Kitts & Nevis
Tanzania
Vietnam
Yemen

Also, TIEA with Australia in force

TAXATION RATES FOR MAURITIUS-AFRICA DTAAs

	Dividends		Interest		Royalties	
Country	No Treaty	Under Treaty	No Treaty	Under Treaty	No Treaty	Under Treaty
Botswana	15%	5% & 10%	15%	12%	15%	12.50%
Lesotho	25%	10%	N/A	10%	N/A	10%
Madagascar	20%	5% & 10%	N/A	10%	N/A	5%
Mozambique	20%	8%, 10% & 15%	20%	8%	20%	5%
Namibia	10%	5% & 10%	0	10%	10.50%	5%
Rwanda	20%	Exempt	N/A	Exempt	N/A	Exempt
Senegal	10%	Exempt	6/8/16/20%	Exempt	20%	Exempt
Seychelles	15%	Exempt	15%	Exempt	15%	Exempt
South Africa	15%	5% & 15%	0	Exempt	15%	Exempt
Swaziland	12.5 & 15%	7.50%	10%	5%	15%	7.50%
Tunisia	0	Exempt	20%	2.50%	15%	2.50%
Uganda	15%	10%	15%	10%	15%	10%
Zimbabwe	20%	10% & 20%	10%	10%	20%	15%

MAURITIUS INVESTMENT PROMOTION AND PROTECTION AGREEMENTS

IPPAs Signed and in force

Barbados
Belgium/Luxemburg Economic Union
Burundi
China
Czech Republic
Finland
France
Germany
India
Indonesia
Madagascar
Mozambique
Pakistan
Portugal
Republic of Korea
Romania
Senegal
Singapore
South Africa
Sweden
Switzerland
U.K
Northern Ireland

IPPAs awaiting ratification

Benin
Botswana
Cameroon
Comoros
Ghana
Guinea Republic
Mauritania
Nepal
Republic of Congo
Rwanda
Swaziland
Tchad
Tanzania
Zimbabwe
Kenya

*Information obtained from the Mauritius Board of Investment website on
03 October 2012*

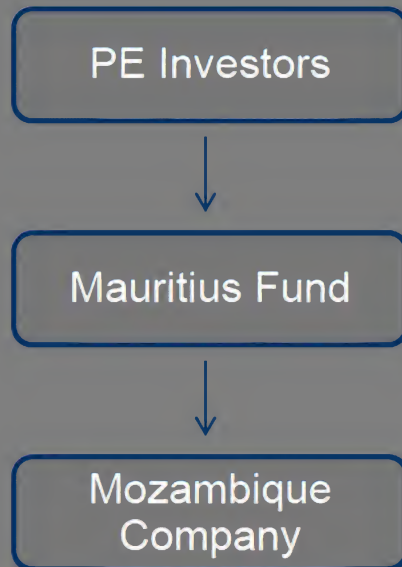


CASE STUDY: FUND INVESTING INTO MOZAMBIQUE

Private Equity Investment into
a Mozambique Company
through a Mauritius Fund

Tax Effects:

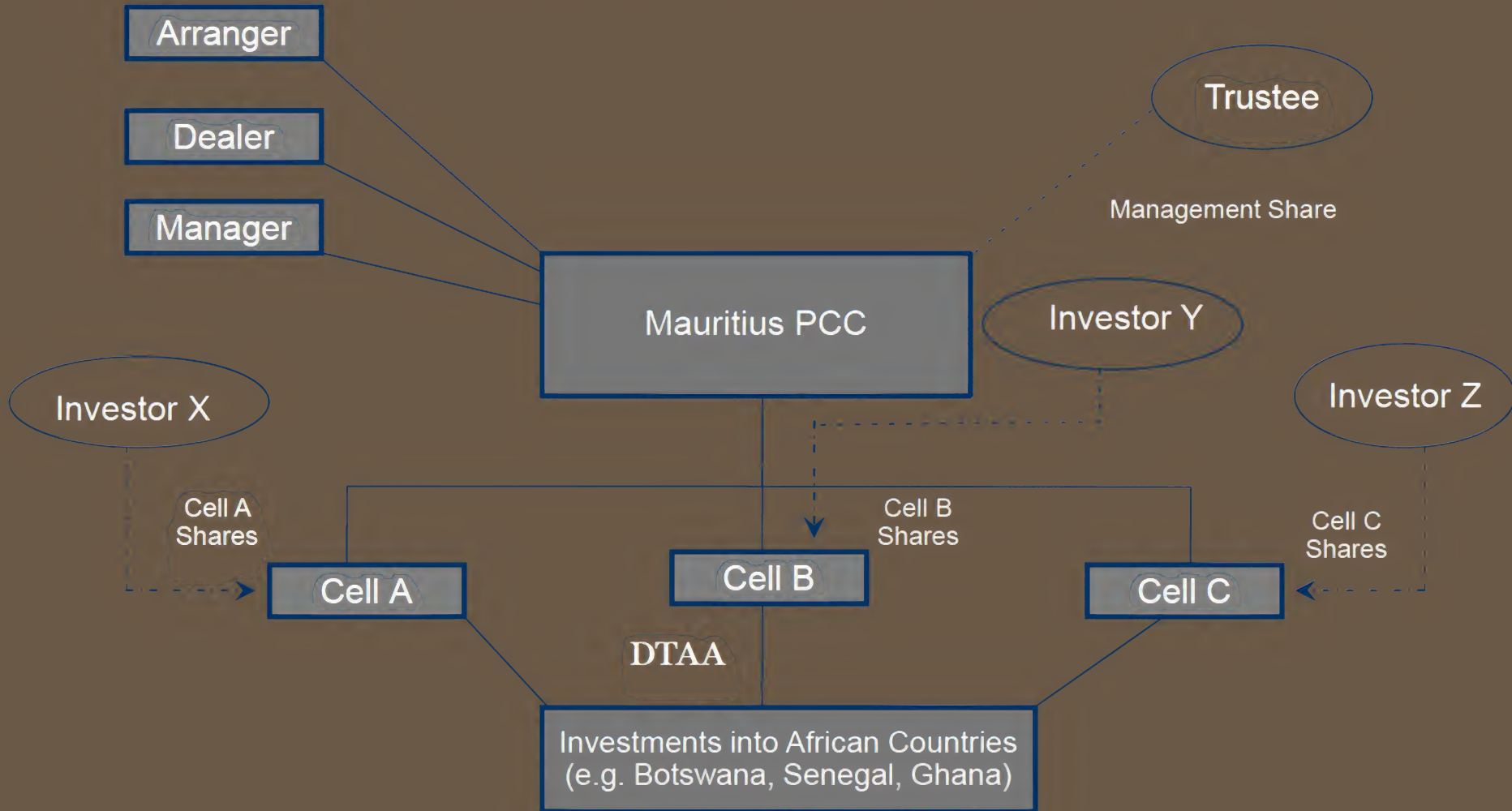
Mozambique: Corporate tax at 32 %
WHT on interest at 8% under DTAA (rather
than 20%)



Chargeable Income	1,000	Mozambique without DTAA
Corporate Tax (32%)	320	
Tax on Interest (20%)	136	
Net Income after tax	544	
Chargeable Income	1,000	Mozambique under DTAA
Corporate Tax (32%)	320	
Tax on Interest	54	
Net Income after tax	626	
Chargeable Income	1,000	Mauritius under DTAA
Corporate Tax (15%)	150	
Foreign Tax Credit	(150)	
Tax Liability	NIL	



INVESTING THROUGH A MAURITIUS PROTECTED CELL COMPANY (“PCC”)



WHY A MAURITIUS PCC FOR INVESTING INTO AFRICA?

- Key features of the Mauritius PCC
- The Mauritius benefit

THANK YOU

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